

**REMARKS**

At the outset, the Examiner is thanked for the review and consideration of the pending application. The Non-Final Office Action dated April 11, 2008 has been received and reviewed. Reconsideration of the pending application is respectfully requested in view of the following observations.

1. Amendments and Support for Same.

By this Response, claim 1 has been amended. Support for the amendments to claim 1 can be found at claim 5 as originally filed. No new matter is added. Claim 5 is cancelled. No claims are hereby newly added. Accordingly, claims 1-4 and 6-18 remain currently pending.

2. Claims 1-4 and 6 are rejected under 35 U.S.C. §102(e) as anticipated by United States patent 7,168,623 B1 (Royer).

The rejection of claims 1-4 and 6 is respectfully traversed and reconsideration is requested.

Claims 1-4 and 6 are allowable over *Royer* in that each of these claims recites a combination of elements including, for example, “ ... the security label includes an integrated circuit disposed in a recess of the adhesive foil adapted to store security data and an antenna disposed between the substrate and the adhesive foil said antenna connected with the integrated circuit so as to provide a contactless communication with the integrated circuit wherein the front-side security features contain a printed area produced by an intaglio printing method.”

*Royer* does not teach or suggest at least these features of the claimed invention and therefore does not anticipate the claimed invention.

As will be shown in the following description of *Royer*, *Royer* does not teach or suggest all of the claimed limitations.

*Royer* does not teach or suggest that the security label includes an integrated circuit disposed in a recess of the adhesive foil adapted to store security data.

All of the embodiments of *Royer* instead teach that the chip is disposed in a slot formed in a double faced adhesive.

The double faced adhesive of *Royer* is not a cold adhesive foil. The double faced adhesive of *Royer* is, “a segment of plastic tape conventionally processed to be adhesive on its two surfaces, on a strip of solid glue (Col. 2, Lines 45-50).” Furthermore, *Royer* teaches that the double faced adhesive may further be sold by the 3M Company under the trade name VHB (Col. 3, Lines 1-5).

*Royer* does not teach or suggest that the antenna is disposed between the substrate and the adhesive foil said antenna connected with the integrated circuit so as to provide a contactless communication with the integrated circuit.

*Royer* does not teach or suggest the cold adhesive foil and therefore the antenna cannot be disposed between the substrate and adhesive foil.

Furthermore, all of the embodiments of *Royer* teach an electrical connection of the chip and antenna via connection wires in what appear to be early stages in the manufacturing process.

In contrast, the claimed invention allows for the intensive processing of the security label during manufacturing without loading the required integrated circuit too strongly, since the integrated circuit cannot be connected to the antenna via the recess of the adhesive foil *until the end of the manufacturing process* (Specification page 2 paragraph [0010])(emphasis added).

*Royer* does not teach or suggest that the front-side security features contain a printed area produced by an intaglio printing method.

*Royer* does not teach intaglio printing. Furthermore, *Royer* teaches that the surface of the base that does not receive the double faced adhesive is provided to receive the printing of a pattern, of a text or of a code (Col. 1, Lines 60-65). Intaglio printing can result in deformation of a substrate surface through the application of high pressure to the substrate. Accordingly, *Royer* teaches conventional printing as opposed to intaglio printing.

*Royer* is drawn to a self-adhesive electronic circuit.

In the first embodiment of *Royer* as shown in Figures 1 and 2, a chip (12) is disposed above a glue layer (13). The chip (12) is electrically connected to antennas (16) by connection wires (18) and then the chip (12) and connection wires (18) are caught in a drop of a protection resin (19)(Col. 2, Lines 40-50). The chip (12), connection wires (18) and protection resin (19) seem to be located in a slot (21) that is made through a double-faced adhesive (20).

Turning to the second embodiment of *Royer* as shown in Figures 3 and 4, the chip (12) and connection wires (18) are protected by a resin drop (22) formed by filling slot (21) with resin (Col. 3, Lines 15-20). The idea behind this embodiment of *Royer*, is that of forming the drop (22) faster than in the first embodiment (Id. Lines 20-25). Furthermore, in the second embodiment of *Royer*, the presence of the slot (21) through the double-faced adhesive is used to limit the spread of a fluid resin (Id. Lines 20-28).

Looking at the third embodiment of *Royer* as shown in Figures 5 and 6, the chip (12) is electrically connected to antennas (16) by welding beads (26). A resin collar (23) is formed on the circumference of the chip (12) to seal the chip (12) onto the base (14) (Col. 3, Lines 30-40). *Royer* teaches that the assembly by welding beads (26) is a delicate process that allows for a reduced thickness of the label (10) (Id.).

In the fourth embodiment of *Royer* as described in Figures 7 and 8, antennas (16) are located on the underside of the base (14) which is not covered by double faced adhesive (Col. 3, Lines 45-55). In *Royer*'s fourth embodiment, the chip (12) is electrically connected to the

antennas (16) by welding beads (26). A drop of resin (22) fills in the slot (21) within the base (14).

Turning to the fifth embodiment of *Royer*, as best seen in Figure 9, a chip (12) is located in the slot (21) of the double faced adhesive (20) wherein the etched surface of the chip (12) faces the back of antenna (16) and is connected to the back of the antenna (16) by welding beads (26) through slots (25) made in the base (14)(Col. 4, Lines 1-10).

Figure 10 of *Royer* illustrates a method of manufacturing self-adhesive labels according to the embodiment described in relation to Figures 3 and 4.

As can be seen in Figure 10, a series of antennas (not shown) are formed on a mechanically indexed strip (28) intended for being cut into a series of bases. A chip (12) has been glued at the level of each antenna on the indexed strip, which is then introduced to a laminating machine (30). The machine also receives a double faced adhesive (20) covered with a protective film (24) on both of its surfaces. A sensor (32) spots the position of each chip (12) and controls a punch (34) to form, in the double faced adhesive, a slot (21) corresponding to this position. Protective film (24) is removed from a first surface of cut-up double-faced adhesive (20), which is laminated and glued on the indexed strip. Each chip (12) is then connected to the corresponding antenna by connection wires (not shown), after which slot (21) is filled with drops of resin (not shown).

After assembly of the labels, the indexed strip is cut to form the labels and each label is magnetically tested. The functional labels are separated from their protective film to be placed on a packaging strip. (Col. 4, Lines 8-30).

In a final embodiment of *Royer*, Figure 11 teaches the final packaging of labels. A packaging strip (36) comprises labels (10) the second surface of which has been covered with a logo or a code (38) and is ready to be sold (Col. 4, Lines 45-47).

Accordingly, at least for all of the above reasons, *Royer* does not teach or suggest all of the claimed limitations of the claimed invention and therefore does not anticipate the claimed invention.

Withdrawal of the rejection of claims 1-4 and 6 is respectfully requested.

3. Claims 1, 4-7, 9-14 and 17-18 are rejected under 35 U.S.C. §102(a) as anticipated by Canadian patent application CA 2 414 746 A1 (*Schneider*).

The rejection of claims 1 and 4-7 is respectfully traversed and reconsideration is requested.

Claims 1 and 4-7 are allowable over *Schneider* in that each of these claims recite a combination of elements including, for example, “ ... the security label includes an integrated circuit disposed in a recess of the adhesive foil adapted to store security data and an antenna disposed between the substrate and the adhesive foil said antenna connected with the integrated circuit so as to provide a contactless communication with the integrated circuit wherein the front-side security features contain a printed area produced by an intaglio printing method.”

*Schneider* does not teach or suggest at least these features of the claimed invention.

As will be seen from the following description of *Schneider*, *Schneider* does not anticipate all of the claimed limitations.

*Schneider* does not teach or suggest an integrated circuit disposed in a recess of the adhesive foil adapted to store security data.

*Schneider* does not teach or suggest any cold adhesive foil and thus there can be no integrated circuit disposed in a recess of any adhesive foil.

*Schneider* does not teach or suggest an antenna disposed between the substrate and the adhesive foil said antenna connected with the integrated circuit so as to provide a contactless communication with the integrated circuit.

By contrast, *Schneider*, teaches an electrical connection between integrated circuit and adhesive layer.

*Schneider* does not teach or suggest that the *front-side security features* contain a printed area produced by an intaglio printing method.

By contrast, Schneider suggests *overprinting the area* of the security elements at least partially, in particular by tactile steel intaglio printing.

*Schneider* is generally drawn to an antifalsification paper and security document produced therefrom. *Schneider* Figure 1 illustrates a banknote and security element (2). *Schneider*'s Figures 2-5 show different embodiments of a transfer material (10). The transfer material (10) of *Schneider* generally comprises a carrier layer (5) and a transfer layer (6) wherein the transfer layer (6) consists of a layer (7) that produces optical effects. Also included, are an integrated circuit (8) and an adhesive layer (9) (See, e.g., page 12, 3<sup>rd</sup> and 4<sup>th</sup> paragraphs).

*Schneider* also teaches that the carrier layer (5) can be replaced by plastic foil undetachably connected with the layer structure disposed thereon and to use this design as a self-contained adhesive label (page 15, last paragraph).

The layer structure of *Schneider* (layers 7, 8 and 9) is arranged below the carrier layer (5) in a one-sided fashion. Even if, *arguendo*, one of ordinary skill in the art would decide to provide security features on the front side of the security element, this could only be accomplished by application of the security element to the security paper. For example, *Schneider* suggests overprinting the area of the security elements at least partially, in particular by tactile steel intaglio printing (page 9, 3<sup>rd</sup> paragraph).

*Schneider* Figures 3 to 5 teach complex layer arrangements that are also arranged below the carrier layer (5) in a one-sided fashion. Figure 3 of *Schneider* also teaches a metal layer / coupling element (11) between the adhesive layer (9) and the optically variable layer

(7) where this metal layer / coupling element (11) is also part of a reflection layer (14) as shown in Figure 4. Integrated circuit (8) is electrically connected with the adhesive layer (9) through contacts (12) (page 7, 2<sup>nd</sup> paragraph).

Accordingly, *Schneider* does not teach or suggest all of the claimed limitations of the claimed invention and thus cannot anticipate the claimed invention.

Withdrawal of the rejections of claims 1 and 4-7 is respectfully requested.

The rejection of claims 9 and 10 is respectfully traversed and reconsideration is requested.

Claims 9 and 10 are allowable over *Schneider* in that each of these claims recite a combination of elements including, for example, “Data carrier carrying a security label according to claim 1.”

Claims 9 and 10 contain all of the limitations of claim 1.

Applicant’s arguments with respect to the rejection of claims 1 and 4-7 apply equally to the rejection of claims 9 and 10.

Withdrawal of the rejections of claims 9 and 10 is respectfully requested.

The rejection of claims 11-14 and 17-18 is respectfully traversed and reconsideration is requested. Claims 11-14 and 17-18 are allowable over *Schneider* in that each of these claims recite a combination of steps including, for example, “applying a cold adhesive foil with a recess in the area of the antenna arrangement to the back of the substrate which is provided with the antenna arrangement, and incorporating an integrated circuit into the recess and connecting the integrated circuit with the antenna arrangement.”

*Schneider* does not teach or suggest at least these features of the claimed invention.

As previously noted and argued, *Schneider* does not teach any kind of cold adhesive foil and thus cannot teach any integrated circuit into a recess thereof.

Accordingly, *Schneider* does not anticipate the claimed invention.

Withdrawal of the rejections of claims 11-14 and 17-18 is respectfully requested.

4. Claims 15 and 16 are rejected under 35 U.S.C. §103(a) as unpatentable over Schneider in view of Royer.

Claims 15 and 16 depend from claim 11 and necessarily contain all of the limitations of claim 11.

Applicant's arguments with respect to the rejection of claims 11-14 and 17-18 apply equally to the rejection of claims 15 and 16.

Withdrawal of the rejections of claims 15 and 16 is respectfully requested.

5. Claim 8 is rejected under 35 U.S.C. §103(a) as unpatentable over Schneider in view of United States patent 6,830,192 B1 (Krul).

Claim 8 depends from claim 1 and necessarily contains all of the limitations of claim 1.

Applicant's arguments with respect to the rejection of claims 1-4 and 6-7 apply equally to the rejection of claim 8.

Withdrawal of the rejections of claim 8 is respectfully requested.

Furthermore, in *Krul*, a chip seems to be disposed in a paper mass (Figure 2, chip 3, paper mass 5), or a security thread (Figure 3, security thread 2). In *Krul*, the chip also appears embedded in metallized parts (Figure 6, metallized parts 4) or electrical conductors (Figure 7, electrical conductors 12) or a conductive polymer (Figure 10, conductive polymer 13). *Krul* also illustrates another chip 3' in a conductor (Figures 2, 3-5, 8 and 9).

*Krul* does not remedy the deficiencies of *Schneider*. Considering the combination of *Schneider* and *Krul*, the combination does not render the claimed invention *prima facie* obvious.

Withdrawal of the rejections of claim 8 is respectfully requested.

6. Conclusion.

As a result of the amendment to the claims, and further in view of the foregoing remarks, it is respectfully submitted that the application is in condition for allowance. Accordingly, it is respectfully requested that every pending claim in the present application be allowed and the application be passed to issue.

If any issues remain that may be resolved by a telephone or facsimile communication with the Applicant's attorney, the Examiner is invited to contact the undersigned at the numbers shown below.

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